

Company Number:_____

Railroad Industry Operator Statement

Company Name:_____



Under the penalties of perjury, I hereby certify that this statement has been prepared under my direction and supervision from the original books and records of said company and that the facts, statements, and schedules in this statement are true, correct, and complete to the best of my knowledge.

Signature

Date

Printed name and title

Telephone number

GENERAL INSTRUCTIONS

1. This operator's statement and all additional documentation apply to the calendar year ending December 31, 2010. You must submit this information to the Idaho State Tax Commission by April 30, 2011.

**Centrally Assessed Property Section
Property Appraisal Bureau
Idaho State Tax Commission
P O Box 36
Boise, ID 83722**

2. Answer all questions and attach additional sheets where necessary. If you can not provide the information, briefly explain why.
3. Explain unusual entries and discrepancies on pages containing space for remarks or referenced supplemental pages.
4. If the space provided is insufficient, insert and number additional pages. You may use photocopies or computer-generated pages. For example, if you need to add pages to report your leased machines and equipment on page 18, number the pages 18A 18B, 18C, etc.
5. Please submit any additional information that may affect the valuation of the property.
6. If requested information has already been created, you may substitute that information.
7. If you do not select an option for removing intangible personal property (page 6), Option A will become the default method. For example, investments in custom software are exempted as intangible personal property. Custom software is defined as

 . . . software designed, and created by a vendor at the specific request of a client. The term includes services separately charged to modify existing canned software, even though the canned program remains taxable. Custom software does not include loading parameters to initialize program settings and arranging preprogrammed modules to form a complete program.
8. Include the following additional reports: the annual report to partners and stockholders, operating and financial year-end company report, Surface Transportation Board Annual Report R-1, and any abandonments filed with the Surface Transportation Board.
9. If you elect the qualified property exemption in lieu of investment tax credit, you must complete page 7.
10. Please provide the five-year projections on page 10.
11. The taxpayer or an authorized agent must provide all information requested by the Idaho State Tax Commission. The taxpayer must provide correct and reliable information. If the requested information is not provided, the Tax Commission will assess the property as fairly and equitably as possible using the best information it possesses. The taxpayer will have no right to appeal such assessment. See Idaho Code section 63-404 and IDAPA Rule 35.01.03.404.06.

If you have any questions about completing this form, please call our office at (208) 334-7722.

COMPANY INFORMATION

Appraisal Tax Representative

Representative (This person will receive the appraisal and all appraisal correspondence.)		
Title		
Mailing Address		
Address Line 1		
Address Line 2		
City	State	Zip Code
Country (if not in the U.S.)		Federal Employer Identification Number
E-Mail Address		
Telephone Number		Fax Number

Mapping and Tax Code Area Representative

Representative (This person will receive the tax code area mapping information.)	
Title	
E-Mail Address	
Telephone Number	Fax Number

Tax Bill Representative

Representative (This person will receive the tax bill.)	
Title	
E-Mail Address	
Telephone Number	Fax Number

(Include long-term debt that matures within one year.)

Company: _____

Average Rating: _____ S & P's: _____ Moody's: _____

[illegible]

PREFERRED STOCK DATA			
Company			Report for Year Ending
Trading Symbol			Parent
Exchange			Subsidiary
Stock Not Traded			
Month	High Price	Low Price	
January			
February			
March			
April			
May			
June			
July			
August			
September			
October			
November			
December			
Average			
Number of Shares Outstanding at Beginning of Year			
Number of Shares Outstanding at End of Year			
Average Price x Shares Outstanding			
SOURCE (Check the source used.)			
Moody's	Value Line	Standard & Poor's	Other

COMMON STOCK DATA			
Company			Report for Year Ending
Trading Symbol			Parent
Exchange			Subsidiary
Stock Not Traded			
Month	High Price	Low Price	
January			
February			
March			
April			
May			
June			
July			
August			
September			
October			
November			
December			
Average			
Number of Shares Outstanding at Beginning of Year			
Number of Shares Outstanding at End of Year			
Average Price x Shares Outstanding			
SOURCE (Check the source used.)			
Moody's	Value Line	Standard & Poor's	Other

EXEMPTIONS

The following items are exempt. Show the value for each applicable item and explain how you determined the value. In all instances you must show **depreciated** or **amortized** values. Attach a separate page for calculations, if needed.

	Value	Calculation (Include account number or detailed description.)
A. Licensed Vehicles (§63-602J) (Include only vehicles licensed in Idaho.)		
B. Pollution Control (§63-602P) (Include only pollution control equipment in Idaho.) Property Tax Rule 619: You must file the completed declaration by March 15, 2011.		
C. Intangible Personal Property (§63-602L and Property Tax Rule 615)		
Contracts and Contract Rights		
Copyrights		
Custom Computer Programs (See general instructions, page 1, item 7.)		
Customer Lists		
Franchises		
Goodwill		
Licenses		
Patents		
Rights-of-way that are possessory only and not accompanied by title		
Trademarks		
Trade Secrets		

Check the preferred option to remove intangible personal property from the appraised value.

- ☒ Option A. Value of exempt intangible personal property is subtracted out at the system level.
- ☐ Option B. Value of exempt intangible personal property is subtracted out at the state level.
- ☐ Option C. Value of exempt intangible personal property is excluded from the value using valuation models which value only the nonexempt assets.

QUALIFIED PROPERTY EXEMPTION IN LIEU OF INVESTMENT TAX CREDIT

You may elect a property tax exemption in lieu of investment tax credit for qualified property under Idaho Code § 63-3029B. For the qualifications for this property tax exemption, see Idaho Code § 63-3029B, Property Tax Administrative Rules 988 (IDAPA 35.01.03.988) and 989 (IDAPA 35.01.03.989), and Income Tax Administrative Rule 719 (IDAPA 35.01.01.719).

The information listed below must be consistent with the information listed on Income Tax Form 49E, which you have attached to claim this exemption. The maximum value exempted for all qualified property purchased used in any one year is \$150,000. In the column labeled "New or Used," indicate the value for which you request the exemption for all property purchased used. The maximum value exempted for qualified property purchased new is unlimited.

Reference Number	Asset Description	Asset Location (County)	Year Manufactured	Date Placed in Service	New or Used	Original Cost

Total value of property elected for qualified investment property tax exemption \$ _____

I affirm that, to the best of my knowledge and belief, the above-named property has been elected on the Form 49E and is a qualified investment under Idaho Code § 63-3029B.

Signature _____ Title _____

Date _____

STATEMENT OF FINANCIAL POSITION - PART 1

From R-1 Schedule 200		System	
Item	Account Number	Balance at Beginning of Year	Balance at End of Year
CURRENT ASSETS			
1 Cash	701		
2 Temporary Cash Investments	702		
3 Special Deposits	703		
ACCOUNTS RECEIVABLE			
4 Loans and Notes	704		
5 Interline and Other Balances	705		
6 Customers	706		
7 Other Receivables	707		
8 Accrued Accounts (Receivables)	708, 709		
9 Receivables from Affiliates	708.5		
10 Less Allowance for Uncollectibles	709.5		
11 Working Funds, Prepayments, and Deferred Income Tax Debits	710, 711, 714		
12 Materials and Supplies	712		
13 Other Current Assets	713		
14 Total Current Assets			
OTHER ASSETS			
15 Special Funds	715, 716, 717		
16 Investments and Advances Affiliated Companies	721, 721.5		
17 Other Investments and Advances	722, 723		
18 Allowances for Net Losses	724		
19 Equity Securities/Noncurrent or Uncharged			
20 Property Used in Noncarrier Operations	737, 738		
21 Less Depreciation for Line 20			
22 Other Assets	739, 741		
23 Other Deferred Debits	743		
24 Accumulated Deferred Income Tax Debits	744		
25 Total Other Assets			
ROAD AND EQUIPMENT			
26 Road	731, 732		
27 Equipment	731, 732		
28 Unallocated Items	731, 732		
29 Accumulated Depreciation and Amortization	733, 735		
30 Net Road and Equipment			
31 Total Assets			

STATEMENT OF FINANCIAL POSITION - PART 2					
From R-1 Schedule 200		System			
Item	Account Number	Balance at Beginning of Year		Balance at End of Year	
CURRENT LIABILITIES					
Loans and Notes Payable	751				
Accounts: Interline/Other Balances	752				
Audited Accounts and Wages	753				
Other Accounts Payable	754				
Interest and Dividend Payable	755, 756				
Payable to Affiliates	757				
Accrued Accounts Payable	759				
Taxes Accrued	760, 761, 761.5, 762				
Other Current Liabilities	763				
Equipment Obligations and Other Long-Term Debt Due Within One Year	764				
Total Current Liabilities					
NONCURRENT LIABILITIES					
Funded Debt - Unmatured	765, 767				
Equipment Obligations (Trusts)	766				
Capitalized Lease Obligations	766.5				
Debt in Default	768				
Accounts Payable: Affiliated Companies	769				
Unamortized Debt Premium	770.1, 770.2				
Interest in Default	781				
Deferred Revenues - Transfers From Government	783				
Accumulated Deferred Income Tax Credit	786				
Other Long-Term Liabilities and Deferred Credits	771, 772, 774, 775, 782, 784				
Total Noncurrent Liabilities					
SHAREHOLDERS' EQUITY					
Total Capital Stock					
Common Stock	791				
Preferred Stock	792				
Discount on Capital Stock					
Additional Capital	794, 795				
Retained Earnings - Appropriated	797				
Unappropriated	798				
Net Unrealized Loss on Noncurrent Marketable Equity Securities	798.1				
Less Treasury Stock - Shares	798.5				
Net Shareholders' Equity					
Total Liabilities and Shareholders' Equity					

Five-Year Projections					
	20__	20__	20__	20__	20__
Operating Income					
Operating Cash Flows					
Capital Expenses					
If you have projections beyond the next five years, please provide this data on additional sheets.					
Remarks:					

RESULTS OF OPERATIONS - PART 1			
From R-1 Schedule 210		System	
Ordinary Items	Acct. No.	Balance at Beginning of Year	Balance at End of Year
OPERATING INCOME			
RAILWAY OPERATING INCOME			
1 Freight	101		
2 Passenger	102		
3 Passenger - Related	103		
4 Switching	140		
5 Water Transfers	105		
6 Demurrage	106		
7 Incidental	110		
8 Joint Facility - Credits	121		
9 Joint Facility - Debits	122		
10 Railway Operating Revenues (Exclusive of Transfers From Government Authorities - lines 1- 9)	501		
11 Railway Operating Revenues - Transfers From Government Authorities for Current Operations	502		
12 Railway Operating Revenues - Amortization of Deferred Transfers From Government Authorities	503		
13 Total Revenue From Operations			
14 Railway Operating Expenses	531		
15 Net Revenue From Railway Operations			
OTHER INCOME			
16 Revenue From Noncarrier Property	506		
17 Miscellaneous Rent Income	510		
18 Profit - Separate Properties	512		
19 Dividend Income (Cost Method)	513		
20 Interest Income	514		
21 Income From Sinking Funds, etc.	516		
22 Release of Premiums - Debt	517		
23 Contract Reimbursements	518		
24 Miscellaneous Income From Affiliated Companies	519		
25 Dividends			
26 Equity in Undistributed Earnings			
27 Total Other Income			
28 Total All Income			
MISCELLANEOUS DEDUCTIONS FROM INCOME			
29 Expenses of Noncarrier Property	534		
30 Miscellaneous Taxes	544		
31 Separate Property Losses	545		
32 Maintenance of Investment - Organization	549		
33 Income Transferred Under Contract	550		
34 Miscellaneous Income Charges	551		
35 Uncollectible Accounts	553		
36 Total Miscellaneous Deductions			

RESULTS OF OPERATIONS - PART 2			
From R-1 Schedule 210		System	
	ORDINARY ITEMS	Acct. No.	Balance at Beginning of Year Balance at End of Year
37	Income Available for Fixed Charges (lines 28 thru 36)		
	INTEREST ON FUNDED DEBT		
38	Fixed Interest not in Default	546	
39	Interest in Default	546	
40	Interest on Unfunded Debt	547	
41	Amortization of Discount - Funded Debt	548	
42	Total Fixed Charges		
43	Income after Fixed Charges		
44	Other Deductions		
	INTEREST ON FUNDED DEBT		
45	Contingent Interest	546	
46	Infrequent Items (Debit) Credit	555	
47	Income (Loss) Continued Operations Before Income Taxes		
	PROVISION FOR INCOME TAXES		
48	Income Taxes on Ordinary Income	556	
49	Federal Income Taxes		
50	State Income Taxes		
51	Other Income Taxes		
52	Provision for Deferred Income Taxes	557	
53	Total Provision for Income Taxes		
54	Income from Continued Operations		
	DISCONTINUED OPERATIONS		
55	Income (Loss) From Discontinued Operations	560	
56	Less Applicable Income Taxes		
57	Gain (Loss) Disposal of Discontinued Operations	562	
58	Less Applicable Income Taxes		
59	Income Before Extraordinary Items		
	EXTRAORDINARY ITEMS & ACCOUNTING CHANGES		
60	Extraordinary Items (Net)	570	
61	Income Taxes on Extraordinary Items	590	
62	Provision for Deferred Income Taxes on Extraordinary Items	591	
63	Total Extraordinary Items		
64	Cumulative Effect of Changes in Accounting Principles	592	
65	Less Applicable Income Taxes		
66	Net Income (Loss)		
	RECONCILIATION OF NET RAILWAY OPERATING INCOME		
67	Net Revenues From Railway Operations		
68	Income Taxes on Ordinary Income	556	
69	Provision for Deferred Income Taxes	557	
70	Income From Leases of Road and Equipment		
71	Rent Paid for Leases of Road and Equipment		
72	Net Railway Operating Income (Loss)		

	COST INDICATOR DATA - SYSTEM				
	From R-1 Schedule 330		System		
	Item	Account Number	Balance at Beginning of Year	Balance at End of Year	Accumulated Depreciation
1	Land for Transportation Purposes	2			
2	Grading	3			
3	Other Rights-of-Way Expenditures	4			
4	Tunnels and Subways	5			
5	Bridges, Trestles, and Culverts	6			
6	Other Elevated Structures	7			
7	Ties	8			
8	Rail and Other Track Material	9			
9	Ballast	11			
10	Fences, Snowsheds, and Signs	13			
11	Stations and Office Buildings	16			
12	Roadway Buildings	17			
13	Water and Fuel Stations	18			
14	Shops and Engine Houses	20			
15	Warehouses and Docks	22-23			
16	Coal and Ore Terminals	24			
17	TOFC/COFC Terminals	25			
18	Communications Systems	26			
19	Signals and Interlockers	27			
20	Power Plants and Systems	29, 31, 45			
21	Other Structures	35			
22	Roadway Machinery	37			
23	Public Improvements - Construction	39			
24	Shop Machinery	44			
25	Total Expenditures - Road				
26	Locomotives	52			
27	Freight Train Cars	53			
28	Passenger Train Cars	54			
29	Highway Revenue Equipment	55			
30	Floating Equipment	56			
31	Work Equipment	57			
32	Other Equipment	58			
33	Computer Systems - PC, Word Processing Equipment	59			
34	Total Expenditures - Equipment				
35	Interest During Construction	76			
36	Other Investments	80			
37	Construction Work in Progress	90			
38	Total for Other - Expenditures				
39	Grand Total				

COST INDICATOR DATA - STATE

	From R-1 Schedule 330		Idaho		
	Item	Account Number	Balance at Beginning of Year	Balance at End of Year	Accumulated Depreciation
1	Land for Transportation Purposes	2			
2	Grading	3			
3	Other Rights-of-Way Expenditures	4			
4	Tunnels and Subways	5			
5	Bridges, Trestles, and Culverts	6			
6	Other Elevated Structures	7			
7	Ties	8			
8	Rail and Other Track Material	9			
9	Ballast	11			
10	Fences, Snowsheds, and Signs	13			
11	Stations and Office Buildings	16			
12	Roadway Buildings	17			
13	Water and Fuel Stations	18			
14	Shops and Engine Houses	20			
15	Warehouses and Docks	22-23			
16	Coal and Ore Terminals	24			
17	TOFC/COFC Terminals	25			
18	Communications Systems	26			
19	Signals and Interlockers	27			
20	Power Plants and Systems	29, 31, 45			
21	Other Structures	35			
22	Roadway Machinery	37			
23	Public Improvements - Construction	39			
24	Shop Machinery	44			
25	Total Expenditures - Road				
26	Locomotives	52			
27	Freight Train Cars	53			
28	Passenger Train Cars	54			
29	Highway Revenue Equipment	55			
30	Floating Equipment	56			
31	Work Equipment	57			
32	Other Equipment	58			
33	Computer Systems - PC, Word Processing Equipment	59			
34	Total Expenditures - Equipment				
35	Interest During Construction	76			
36	Other Investments	80			
37	Construction Work in Progress	90			
38	Total for Other - Expenditures				
39	Grand Total				

MILES OF ROAD LISTED BY STATES (ALL TRACKS)								
State	Main Line Owned	Branch Line Owned	Line Operated Under Lease	Line Operated Under Trackage Right	Line Operated Under Contract	Miles of Yard Tracks and Siding	Total Mileage Operated	Line Owned Not Operated
Alabama								
Alaska								
Arizona								
Arkansas								
California								
Colorado								
Connecticut								
Delaware								
Florida								
Georgia								
Hawaii								
Idaho								
Illinois								
Indiana								
Iowa								
Kansas								
Kentucky								
Louisiana								
Maine								
Maryland								
Massachusetts								
Michigan								
Minnesota								
Mississippi								
Missouri								

MILES OF ROAD LISTED BY STATES (ALL TRACKS)								
State	Main Line Owned	Branch Line Owned	Line Operated Under Lease	Line Operated Under Trackage Right	Line Operated Under Contract	Miles of Yard Tracks and Siding	Total Mileage Operated	Line Owned Not Operated
Montana								
Nebraska								
Nevada								
New Hampshire								
New Jersey								
New Mexico								
New York								
North Carolina								
North Dakota								
Ohio								
Oklahoma								
Oregon								
Pennsylvania								
Rhode Island								
South Carolina								
South Dakota								
Tennessee								
Texas								
Utah								
Vermont								
Virginia								
Washington								
West Virginia								
Wisconsin								
Wyoming								
Total								

INTERSTATE ALLOCATION OF VALUE				
Main Categories	Data Source	Reported System Value	Reported Idaho Value	Idaho % of System
I. Property Factors (Owned or Operated - Under Trackage Rights)				
Total Miles of All Track				
Total Miles of Road				
II. Usage Factors				
Locomotive Unit Miles				
Car Unit Miles (1,000s)				
Ton Miles of Revenue Freight				
III. Freight Mix Characters				
Originating Revenue Freight - Tons				
Terminating Revenue Freight - Tons				
Received Revenue Freight - Tons				
Delivered Revenue Freight - Tons				

[illegible]

IDAHO DECLARATION OF LEASED MACHINES AND EQUIPMENT

County	Tax Code Area Number	Name of Leasing Company	Number of Units	Description of Equipment Leased	Year Built	Original Cost (New)	Tax Commission Use Only
							Market Value

**SYSTEM DECLARATION OF LEASED PROPERTY
NONCAPITALIZED LEASES**

(Furnish copies of all leases.)

Location of Property	Leased From	Description of Property	Year Built	Original Cost (New)	Rental Expense

MILEAGE BY TAX CODE AREA

Report information by the uniform tax code area system as prescribed by the Idaho State Tax Commission.

County (List in alpha order.)	Tax Code Area Number (List in numerical order within county.) (One total per code area per county) ¹	Branch Line	Railroad Mileage (Carry to two decimal places.)		
			Main Line	Second Main Line	Side Track

¹ Please put counties in alphabetical order and the tax code areas in numerical order. Please list only one total per tax code area.

PROPERTY NOT APPORTIONED (SITUS)

Report information by the uniform tax code area system as prescribed by the Idaho State Tax Commission.

County	Tax Code Area Number	Description of Property	Undepreciated Investment ¹ (Round to nearest dollar.)

¹Report undepreciated investment in situs property including microwaves and/or radio relay stations.

INCOME PROJECTIONS

Net Operating Income Projections

What is your company's projected net income for the upcoming three years?
(Note - this amount should be normalized - removing any one-time increases or decreases such as charges, etc.)

Down 5% _____
Down 10% _____
Down 15% _____
Down (more than 15%) _____
Even _____
Up 5% _____
Up 10% _____
Up 15% _____
Up (more than 15%) _____

Reason for increase or decrease:

The projected income amounts will be analyzed this year. Additionally, the projected income will be reviewed in coming years to determine accuracy.

Note - these figures will be used to help the STC analyze the potential income direction. Most companies have a 3-5 year projection on net income. The answers provided here will be considered part of the confidential information held by the STC, in line with Section 9-340D.

PROJECTIONS

(Please note if this is an after tax cost of capital or not).

Please indicate the company's weighted average cost of capital? _____

What is your residual income?

What is the rate the company is growing its revenues, profits and capital base? _____

What is the return on invested capital? _____